

Notice of Allowability

Application No.

09/724,039

Examiner

Harish T. Dass

Applicant(s)

BUTCHER, GEORGE H.

Art Unit

3693

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address--

All claims being allowable, PROSECUTION ON THE MERITS IS (OR REMAINS) CLOSED in this application. If not included herewith (or previously mailed), a Notice of Allowance (PTOL-85) or other appropriate communication will be mailed in due course. **THIS NOTICE OF ALLOWABILITY IS NOT A GRANT OF PATENT RIGHTS.** This application is subject to withdrawal from issue at the initiative of the Office or upon petition by the applicant. See 37 CFR 1.313 and MPEP 1308.

1. ☒ This communication is responsive to 03/09/2007.
2. ☒ The allowed claim(s) is/are 1-19.
3. ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some* c) ☐ None of the:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

* Certified copies not received: _____.

Applicant has THREE MONTHS FROM THE "MAILING DATE" of this communication to file a reply complying with the requirements noted below. Failure to timely comply will result in ABANDONMENT of this application.

THIS THREE-MONTH PERIOD IS NOT EXTENDABLE.

4. ☐ A SUBSTITUTE OATH OR DECLARATION must be submitted. Note the attached EXAMINER'S AMENDMENT or NOTICE OF INFORMAL PATENT APPLICATION (PTO-152) which gives reason(s) why the oath or declaration is deficient.
5. ☐ CORRECTED DRAWINGS (as "replacement sheets") must be submitted.
(a) ☐ including changes required by the Notice of Draftsperson's Patent Drawing Review (PTO-948) attached
1) ☐ hereto or 2) ☐ to Paper No./Mail Date _____.
(b) ☐ including changes required by the attached Examiner's Amendment / Comment or in the Office action of Paper No./Mail Date _____.
Identifying indicia such as the application number (see 37 CFR 1.84(c)) should be written on the drawings in the front (not the back) of each sheet. Replacement sheet(s) should be labeled as such in the header according to 37 CFR 1.121(d).
6. ☐ DEPOSIT OF and/or INFORMATION about the deposit of BIOLOGICAL MATERIAL must be submitted. Note the attached Examiner's comment regarding REQUIREMENT FOR THE DEPOSIT OF BIOLOGICAL MATERIAL.

Attachment(s)

- | | |
|--|--|
| 1. <input type="checkbox"/> Notice of References Cited (PTO-892) | 5. <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 2. <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 6. <input type="checkbox"/> Interview Summary (PTO-413),
Paper No./Mail Date _____. |
| 3. <input checked="" type="checkbox"/> Information Disclosure Statements (PTO-1449 or PTO/SB/08),
Paper No./Mail Date <u>03/09/2007</u> | 7. <input type="checkbox"/> Examiner's Amendment/Comment |
| 4. <input type="checkbox"/> Examiner's Comment Regarding Requirement for Deposit
of Biological Material | 8. <input checked="" type="checkbox"/> Examiner's Statement of Reasons for Allowance |
| | 9. <input type="checkbox"/> Other _____. |

DETAILED ACTION

Continued Examination Under 37 CFR 1.114

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after allowance or after an Office action under *Ex Parte Quayle*, 25 USPQ 74, 453 O.G. 213 (Comm'r Pat. 1935). Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, prosecution in this application has been reopened pursuant to 37 CFR 1.114. Applicant's submission filed on 03/09/2007 has been entered.

2. This allowance is in reference to Applicant's submitted IDS dated 03/09/2007. Examiner has reviewed the IDS and does not find any prior reference listed in IDS, which reads on allowable claims. The reason for allowance, which was stated previously (see paper numbers 20070109 and 20060317), is still valid.

3. This allowance is in reference to amendment dated 12/21/2005.

Allowable Subject Matter

4. The following is an examiner's statement of reasons for allowance:

Claim 1 -

utilizing the programmed computer system to facilitate the making of payments obligated by the second subordinate holder financial instrument to perform the obligation of the first credit for the benefit of the first senior holder to the extent that the first credit enters the default state and payments due the first senior holder are not available; and

utilizing the programmed computer system to facilitate the provision to the second subordinate holder the benefit of the obligation of the first credit to the extent that payments due the second subordinate holder were used to perform the obligation of the first credit and to the extent that any benefit remains in the obligation of the first credit to the first senior holder, as recited in independent claim 1.

Claim 11 -

utilizing the programmed computer system to facilitate the making of payments obligated by at least one subordinate holder financial instrument associated with a credit in the non-default state to perform the obligation of a credit in the default state to the extent that payments due the senior holder associated with the credit in the default state are not available; and

utilizing the programmed computer system to facilitate the provision to each subordinate holder at least a portion of the benefit of the obligation of the credit in the default state to the extent that payments due each subordinate holder were used to perform the obligation of the credit in the default state and to the extent that any benefit remains in the obligation of the credit in the default state to the associated senior holder;

wherein n is an integer in the range of 1 to 1000, as recited in independent claim 11.

Claim 12-

utilizing the programmed computer system to facilitate the making of payments obligated by the second subordinate holder financial instrument to perform the obligation of the first credit for the benefit of the first senior holder to the extent that the first credit enters the default state and payments due the first senior holder are not available;

utilizing the programmed computer system to facilitate the making of payments obligated by at least one of the third subordinate holder financial instrument and the fourth subordinate holder financial instrument to perform the obligation of the first credit for the benefit of the first senior holder to the extent that the payments of the second subordinate holder financial instrument used for the benefit of the first senior holder do not cover the obligation of the first credit;

utilizing the programmed computer system to facilitate the provision to each of the third subordinate holder and the fourth subordinate holder the benefit of the

obligation of the first credit to the first senior holder to the extent that the payments of the third subordinate holder financial instrument and the fourth subordinate holder financial instrument are used for the benefit of the first senior holder and to the extent that any benefit remains in the obligation of the first credit to the first senior holder; and

utilizing the programmed computer system to facilitate the provision to the second subordinate holder the benefit of the obligation of the first credit to the first senior holder to the extent that payments of the second subordinate holder financial instrument were used to perform the obligation of the first credit and to the extent that a benefit exists after any benefit is provided the third subordinate holder and the fourth subordinate holder, as recited in independent claim 12.

Claim 15-

utilizing the programmed computer system to facilitate the making of payments obligated by each subordinate holder financial instrument associated with credits within the same sub-pool as a defaulting credit to perform the obligation of the defaulting credit for the benefit of the associated senior holder to the extent that payments due the senior holder associated with the defaulting credit are not available;

utilizing the programmed computer system to facilitate the making of payments obligated by each subordinate holder financial instrument associated with credits outside the sub-pool containing the defaulting credit to perform the obligation of the defaulting credit for the benefit of the associated senior holder to the extent that the payments of each

subordinate holder financial instrument associated with credits within the same the sub-pool as the defaulting credit which were used for the benefit of the senior holder do not cover the obligation of the first credit;

utilizing the programmed computer system to facilitate the provision to each subordinate holder associated with credits outside the sub-pool containing the defaulting credit the benefit of the obligation of the defaulting credit to the associated senior holder to the extent that the payments due each subordinate holder associated with credits outside the sub-pool containing the defaulting credit were used to perform the obligation of the defaulting credit and to the extent that any benefit remains in the obligation of the defaulting credit to the associated senior holder; and

utilizing the programmed computer system to facilitate the provision to each subordinate holder associated with credits within the same sub-pool as the defaulting credit the benefit of the obligation of the defaulting credit to the associated senior holder to the extent that payments due each subordinate holder associated with credits within the same sub-pool as the defaulting credit were used to perform the obligation of the defaulting credit and to the extent that a benefit exists after any benefit is provided each subordinate holder associated with credits outside the sub-pool containing the defaulting credit;

wherein n, j, and k are integers in the range of 1 to 1000, as recited in independent claim 15.

Claim 16-

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utilizing the programmed computer system to facilitate the making of payments obligated by each subordinate holder financial instrument associated with credits outside the mini-pool with the defaulting credit but within the same sub-pool as the defaulting credit to perform the obligation of the senior holder financial instrument associated with the defaulting credit for the benefit of the senior holder to the extent that the payments of each subordinate holder financial instrument associated with credits within the same mini-pool as the defaulting credit which were used for the benefit of the senior holder do not cover the obligation of the defaulting credit;

utilizing the programmed computer system to facilitate the making of payments obligated by each subordinate holder financial instrument associated with credits outside the sub-pool containing the defaulting credit to perform the obligation of the senior holder financial instrument associated with the defaulting credit for the benefit of the senior holder to the extent that the payments of each subordinate holder financial instrument associated with credits within the same sub-pool as the defaulting credit which were used for the benefit of the senior holder do not cover the obligation of the defaulting credit;

utilizing the programmed computer system to facilitate the provision to each subordinate holder associated with credits outside the sub-pool containing the defaulting credit the benefit of the obligation of the defaulting credit to the associated senior holder to the extent that the payments due each subordinate holder associated with credits outside the sub-pool containing the defaulting credit were used to perform the obligation

of the defaulting credit and to the extent that any benefit remains in the obligation of the defaulting credit to the associated senior holder;

utilizing the programmed computer system to facilitate the provision to each subordinate holder associated with credits within the same sub-pool as the defaulting credit the benefit of the obligation of the defaulting credit to the associated senior holder to the extent that payments due each subordinate holder associated with credits within the same sub-pool as the defaulting credit were used to perform the obligation of the defaulting credit and to the extent that a benefit exists after any benefit is provided each subordinate holder associated with credits outside the sub-pool containing the defaulting credit; and

utilizing the programmed computer system to facilitate the provision to each subordinate holder associated with credits within the same mini-pool as the defaulting credit the benefit of the obligation of the defaulting credit to the associated senior holder to the extent that payments due each subordinate holder associated with credits within the same mini-pool as the defaulting credit were used to perform the obligation of the defaulting credit and to the extent that a benefit exists after: a) any benefit is provided each subordinate holder associated with credits outside the sub-pool containing the defaulting credit; and b) after any benefit is provided each subordinate holder associated with credits outside the mini-pool containing the defaulting credit and within the sub-pool containing the defaulting credit;

wherein n, j, and k are integers in the range of 1 to 1000, as recited in independent claim 16.

US 6,460,021 (Kirksey) discloses a method of creating and selling marketable collateral backed debt instruments comprising creating a debt-instrument-issuing-entity which lends mortgage or other lien-backed monies to a group of property owners each owning his or her property in a fee simple or other mortgageable or transferable interest in property against which a lien may be placed. Each property owner retains his title or other interest pending a default of the entity. This invention contemplates the entity obtaining cross-collateralized mortgage or lien agreements from each of such property owners promising to pay his or her secured loan interest and debt and; in addition, such debt of each and every other property owner limited to the value of his or her equity, if any, remaining in his or her subject property.

WO 200125997 A2 (EGGERT et al) discloses an integrated system and method for tracking and analyzing structured financial transactions of Collateralized Bond Obligations, Collateralized Loan Obligation, and Collateralized Debt Obligation.

NPL –

Stanley and et al "The Classic M&A Handbook – The Art of M&A – A Merger Acquisition Buyout Guide" Third Edition, McGraw-Hill, 1998, discloses Subordination provisions that are loan agreement clauses that say which of the lender gets paid first if

the borrower can't pay all the lenders, and what rights do the senior and junior lenders want to have if the borrower defaults.

Each of the prior art taken alone or in combination failed to teach or suggest the above features recited in independent claims 1, 11, 12, 15 and 16.

Dependent claims 2-10, 13-14, 17-19 are allowed with same reason as independent claims.

Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably accompany the issue fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for Allowance."

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Harish T. Dass whose telephone number is 571-272-6793. The examiner can normally be reached on 8:00 AM to 4:50 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James A. Kramer can be reached on 571-272-6783. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Harish T Dass
Examiner
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A handwritten signature in black ink that reads "Harish T Dass". The signature is written in a cursive style with a horizontal line underneath the name.

5/17/07